

## REQUEST FOR PROPOSALS

The Town of Newington is soliciting competitive sealed proposals to select a qualified firm to enter into a 5 or 7 year tax-exempt lease purchase agreement with semi-annual principal and interest payments for the use and purchase of automated recycling containers. All proposals must be submitted in accordance with Town specifications and on forms supplied by the Town. Proposal response forms and specifications are available in the Town Manager's Office and on line at [www.newingtonct.gov](http://www.newingtonct.gov), in the Doing Business, Current Bids section. Proposals will be received until 2:30 PM on March 24, 2010, at the Town Manager's Office, 131 Cedar Street, Newington, Connecticut 06111. The Town reserves the right to reject any or all proposals.

John Salomone  
Town Manager

RFP No. 3, 2009-10

## TOWN OF NEWINGTON

### REQUEST FOR PROPOSALS INFORMATION AND REQUIREMENTS

#### RECYCLING CONTAINERS LEASE PURCHASE FINANCING

##### I. GENERAL INFORMATION

The Town of Newington is expanding its town-wide recyclable materials collection program by switching to single stream recycling and automated collection. Bids for automated recycling containers were received by the Town on March 15, 2010 and are being evaluated by the Town's Superintendent of Highways who will recommend acceptance of the bid submitted by the lowest responsible bidder. The Town is seeking a tax exempt lease purchase agreement in order to be able to obtain these containers. The amount to be financed and the amount on which responses to this Request for Proposal (RFP) are to be based is approximately \$525,000 (five hundred twenty five thousand dollars). The Town reserves the right, however, to negotiate the exact amount to be financed with the firm that submits the accepted proposal, in order to accommodate the citizens who need different sized containers. The Town is requesting proposals for a 5 (five) and 7 (seven) year tax exempt lease with semi-annual principal and interest payments in arrears, and with level total debt service payments. The Town shall not be assessed any pre-payment penalty clauses.

The Town of Newington's most recent debt issuance occurred on June 16<sup>th</sup>, 2005 with the sale of \$3.7 million in general obligation bonds. The Town's issuance was bank qualified. The Town maintains credit ratings with both Moody's Investor Services and Standard & Poor's and has been assigned ratings of Aa3 and AA, respectively, as part of its most recent sale.

Three (3) copies (one of which must be an unbound, untabbed original) of the proposal response and any additional information must be submitted to ensure consideration. Late proposals will be returned unopened to the respondent and will not receive consideration for award.

##### II. SELECTION PROCESS

The selection of the successful firm will be determined by the response to this Request for Proposals. Final award will be made to the respondent who best meets the needs of the Town and provides the lowest total financing cost. The Town intends to make final award within 45 days following the March 24, 2010 submission due date. Authorization of the acceptance and award rests with approval of the Newington Town Council. The Town also reserves the right to reject any and all proposals for any or all items covered in this Request for Proposals, to waive informalities or defects in proposals, or to select the financial service provider that best meets the needs of the Town. No negotiations, decisions, or actions shall be initiated by any firm as a result of verbal discussion with a Town employee prior to the response date of this Request for Proposals. Any lease

purchase agreement resulting from this RFP shall be governed by Connecticut law and the local charter provisions of the Town of Newington.

### III. LEASE PAYMENT ARRANGEMENTS

The Town is seeking 5 (five) and 7 (seven) year tax exempt lease financing with semi-annual payments of principal and interest in arrears, and with level total debt service payments. The first lease payment will be made by the Town on or after July 8, 2010. The Town has not made an appropriation for any such payments in its 2009-10 fiscal year budget that expires on June 30, 2010.

Payments under the lease would be subject to annual appropriation by the Town. If the Town does not make such appropriation the lease will terminate. The Town will have the option to purchase the containers on any payment date for a specified purchase price equal to the principal amount owed on the lease plus any interest owed to the date of purchase with no pre-payment penalties. Proposals must include a detailed schedule of the principal and interest component of the rent and the purchase price.

### IV. SPECIFICATIONS AND MANDATORY REQUIREMENTS

The following specifications outline the minimum requirements of the proposed service. They are provided to assist respondents in understanding the objectives of the Town and in submitting a thorough response. Respondents are required to understand and include the following information. The responses shall be considered offers of what firms propose to provide and shall be incorporated in the contract award as deemed appropriate by the Town. Using company letterhead, please attach your responses to these items to the Proposal Response Form. Failure of firms to respond to any of the following submittal requirements may be grounds for considering a proposal nonresponsive.

The respondent shall:

1. State in their response that it recognizes and understands that the Town desires a tax exempt lease purchase for the principal amount of its contract with the awarded Contractor for the purchase, delivery and distribution of the automated recycling containers, in the approximate amount of \$525,000. Upon request, and assuming the satisfaction of all customary prerequisites to tax-exemption, the Town will provide the successful respondent a legal opinion concerning the tax exempt nature of the annual interest payments on the lease.
2. State in their response that it agrees that the Town will have the option to prepay in part or in full without any prepayment penalties.
3. Include a complete schedule of payments, which reflects the payment dates, payment amount, principal portion, interest portion, and final payment. The financing shall reflect both a five (5) or seven (7) year tax exempt lease with semi-annual interest and principal payments in arrears and with level total debt service.
4. Clearly indicate the total interest costs and percentage rate that the Town will be required to pay for the financing of this project.

5. Not charge the Town for any costs including legal fees, printing costs or other costs incurred by the respondent in preparing a response, submitting a response, or entering into an agreement with the Town.
6. Provide a list of at least three (3) references, with names, titles, addresses, and telephone numbers of those familiar with your work, experience, and performance.
7. Include with their submittal documents a sample lease purchase agreement form.
8. Provide the escrow arrangement and escrow earnings credits and identify the escrow agent, which shall be a bank with a branch in the State of Connecticut.
9. State the penalty that shall be charged to the Town in the event the Town is in default.
10. Have an individual who is authorized to bind the respondent's firm sign the Proposal Response Form included in this Request for Proposals and shall submit it with their proposal in a sealed envelope clearly labeled "RFP No. 3, 2009-10 Recycling Containers Lease Purchase Financing".

Signature on the Proposal Response Form shall serve as an acknowledgment that the respondent is willing to enter into a mutually agreeable tax exempt lease agreement with the Town of Newington if its Proposal is accepted. All documentation for the lease purchase agreement or contract must be approved by the Town's bond counsel, Updike, Kelly & Spellacy, P.C.

If required by the Town, the respondent shall submit satisfactory evidence that they have the necessary financial resources and experience to perform and complete the lease purchase agreement and financing identified in this Request for Proposals.

#### V. OMISSIONS

Should the Town omit anything from this Request for Proposals which is necessary for a clear understanding of the service, or should it appear that various instructions are in conflict, then the respondent shall secure clarification from the Director of Finance at least seventy-two (72) hours prior to the submission due date and time, in order to allow for the preparation and posting on the Town's website of a written addendum.

#### VI. REJECTION OF PROPOSALS

No proposal shall be accepted from, or contract awarded to, any person, firm or corporation that is in arrears to the Town, upon debt or contract or that is a defaulter, as surety or otherwise, upon any obligation to the Town, or that may be deemed irresponsible or unreliable by the Town. Respondents may be required to submit satisfactory evidence that they have the necessary financial resources and experience to perform and complete the lease purchase and financing identified in this Request for Proposals. By submitting a Proposal to the Town of Newington, the respondent certifies that neither the company nor its principals is presently debarred, suspended, in the process of debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal or state department or agency.

## VII. EQUAL OPPORTUNITY

The Town of Newington is an Equal Opportunity Employer. The Town of Newington will make every effort to ensure that all proposers are treated fairly and equally throughout the entire solicitation, evaluation and selection process. The procedures established herein are designed to give all parties reasonable access to the same basic information.

## VIII. PROPOSAL OWNERSHIP

All Proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the Town and will not be returned to the respondent. All submittals, including attachments, financial statements, etc., are subject to the State of Connecticut Freedom of Information Act requirements, regardless of any statements or disclaimers to the contrary, written or otherwise, made by the respondent.

## IX. ADDITIONAL INFORMATION

All questions regarding this RFP shall be addressed to Ann J. Harter, Director of Finance, at [aharter@newingtonct.gov](mailto:aharter@newingtonct.gov) (860)665-8520 or Jeff Baron, Director of Administrative Services, at [jbaron@newingtonct.gov](mailto:jbaron@newingtonct.gov) or (860)665-8513. Any changes or revisions to this Request for Proposals will be through a written Addendum. Written addenda will be posted on the Town's website, <http://www.newingtonct.gov>, in the Doing Business, Current Bids section. All respondents are responsible for checking this website for addenda. All addenda will be posted at least two business days prior to the submission due date.

TOWN OF NEWINGTON  
PROPOSAL RESPONSE FORM

RFP No. 3, 2009-10, Recycling Containers Lease Purchase Financing

Town Manager  
Town of Newington  
131 Cedar Street  
Newington, CT 06111

The undersigned, having carefully read and considered the Request for Proposals for the above referenced tax exempt lease purchase financing, does hereby offer to provide such tax exempt lease purchase financing on behalf of the Town of Newington in the manner described and subject to the terms and conditions set forth in Request for Proposals No. 3, 2009-10. Tax Exempt lease purchase financing will be provided at the rates set forth in the submitted proposal or as negotiated by all involved parties.

In submitting this Proposal, it is understood that the Town of Newington reserves the right to reject any and all Proposals, and to waive any informalities in Proposals as submitted. The respondent acknowledges that its firm is qualified in this area of work, has the financial resources and has experienced personnel able to provide the required services. The Town may request information substantiating the indicated requirements. Failure to provide this information may result in a respondent's Proposal being declared non-responsive. It is the respondent's responsibility to verify if any addenda were issued prior to submission of their Proposal. The undersigned further states that this Proposal is made in good faith and is not founded on, or in consequence of, any collusion, agreement or understanding between themselves or any other interested party.

All proposals shall be signed by an officer having authority to bind the respondent and submitted in sealed envelopes clearly labeled "RFP No. 3, 2009-10 Recycling Containers Lease Purchase Financing".

RESPONDENT'S FIRM \_\_\_\_\_

INDIVIDUAL'S NAME & TITLE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

ADDRESS (office & PO Box) \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_

FEDERAL TAX I.D. \_\_\_\_\_